



Presentation of Financial Results

2Q FYE June 30, 2024

March 5, 2024
Representative Director and President
Hiroaki Shinya

Agenda

- 1. Results for 2Q FYE June 2024**
- 2. Forecast for FYE June 2024**
- 3. Working to Improve Corporate Value**

1. Results for 2Q FYE June 2024

(July 2023 - Dec 2023)

Orders, revenue, and operating profit increased steadily to the highest level ever.

Consolidated results

- Orders received were strong in the Consulting Business and the Urban & Spatial Development Business.
- Revenue increased in all three segments (Consulting Business, Urban & Spatial Development Business, and Energy Business) because of the steady progress of on-hand projects.
- Operating profit increased, with the Energy Business remaining strong despite a decline as a reaction to special factors and the Consulting Business returning to profitability in 2Q.

(Million yen)	FYE June 2023 2Q Results	FYE June 2024 2Q Results	YoY Comparison	
			Amount	%
Orders	59,016	65,919	6,902	111.7%
Revenue	58,451	67,835	9,384	116.1%
Gross profit	15,913	19,253	3,340	121.0%
Operating profit	1,235	2,165	929	175.3%
Profit before tax	269	1,593	1,324	591.6%
Profit attributable to owners of parent	-1,054	313	1,368	-

※Integrated Design & Engineering Holdings Co., Ltd was established as the sole parent company of Nippon Koei Co., Ltd. through a share transfer on July 3, 2023, and has newly prepared the condensed consolidated quarterly financial statements from the first three months ended September 30, 2023. Since there has been no substantial change in the scope of Nippon Koei's consolidated group, Nippon Koei's consolidated results for the six months ended December 31, 2022 (July 1, 2022, to December 2022) and as of June 30 2023, have been used as comparative information. For comparison, the Company made an adjustment of reclassifying its subsidiary EI Koei Co., Ltd. from the Consulting business segment to the others.

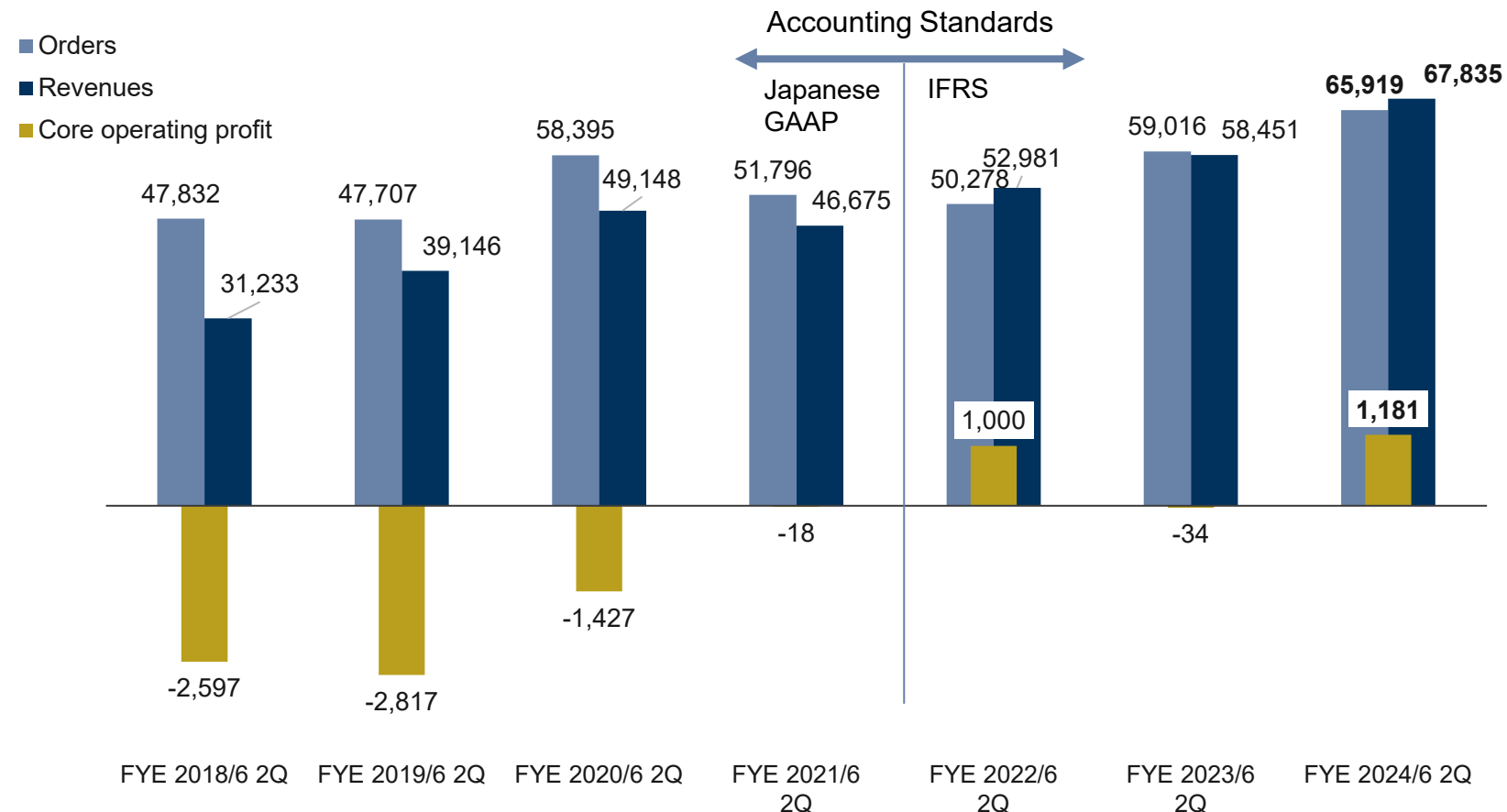
2Q Results (Core Operating Profit*)

Core operating profit, excluding special factors, gradually returned to a profitable level.

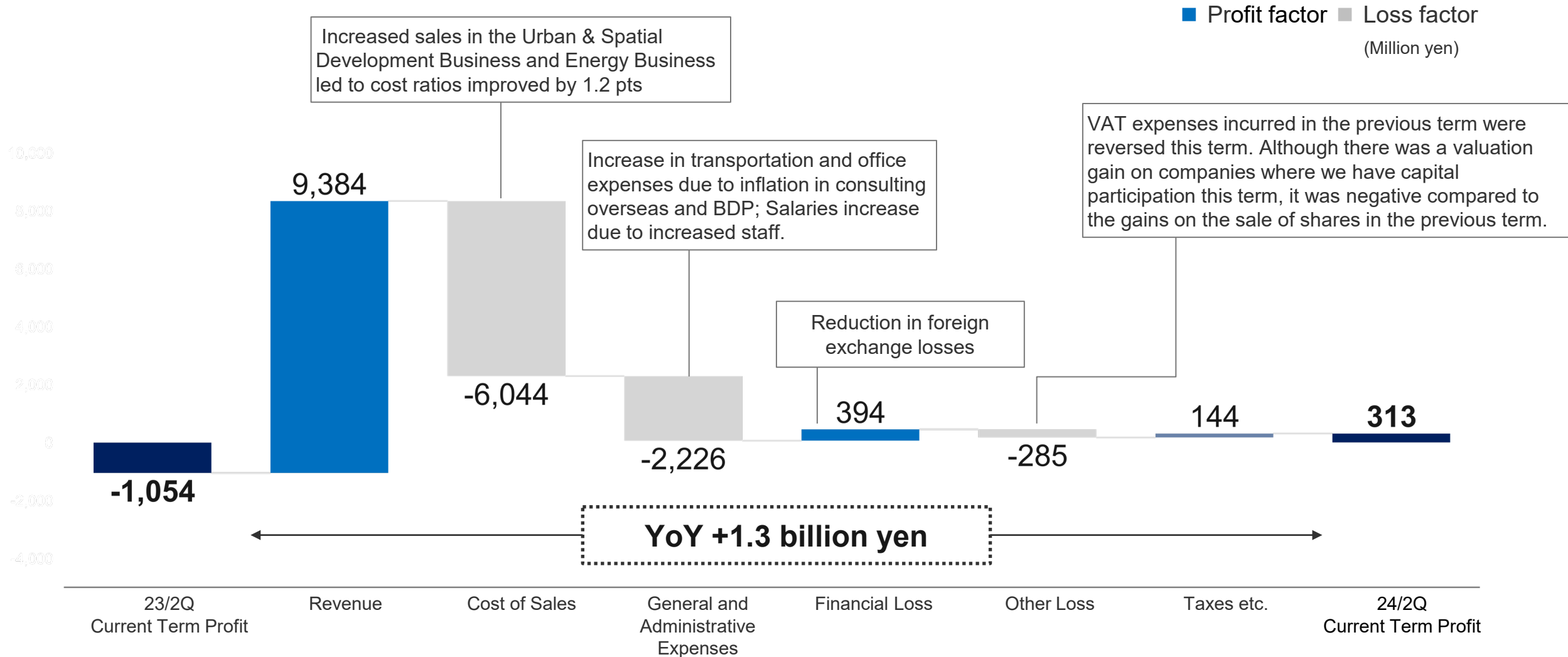
*Core operating profit is calculated from operating profit (or loss) after IFRS, excluding gains and losses arising from non-recurring factors.

■ 2Q special and temporary factors (Billion yen) ■ 2Q performance trends (Million yen)

2Q FYE June 2024 (Current Term)	
Valuation gains associated with the listing of shares of companies the Group acquired capital in	+6.4
Gains on sale of fixed assets	+0.7
VAT expense reversal	+2.8
Total	+9.8
2Q FYE June 2023 (Prev. Term)	
Gains on sale of shares of affiliated companies, gains on investment in securities, etc.	+20.6
Provision of allowance for compensation	-4.9
VAT expenses	-2.8
Other	-0.2
Total	+12.7

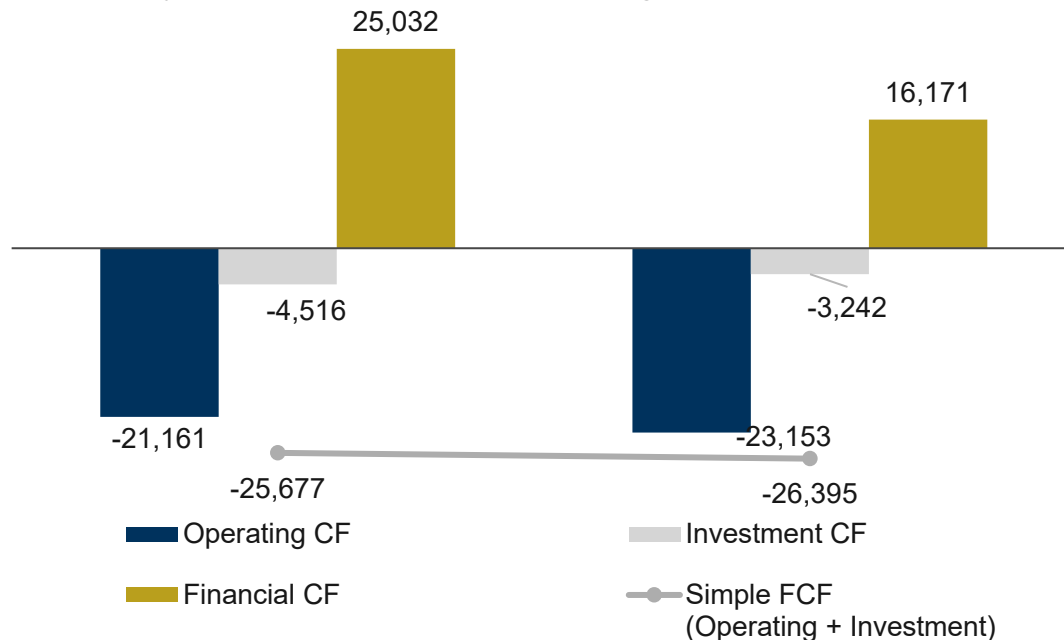


As sales increased, costs remained subdued, and profits were secured.



Cash Flows (Million yen)

- The decrease in operating cash flows was mainly due to an increase in trade receivables and payments of trade payables.
- The decrease in investment cash flows was mainly due to reduced expenditures for acquiring property, plant and equipment, and investment properties.
- The decrease in financial cash flows was due to higher repayment of short-term borrowings.

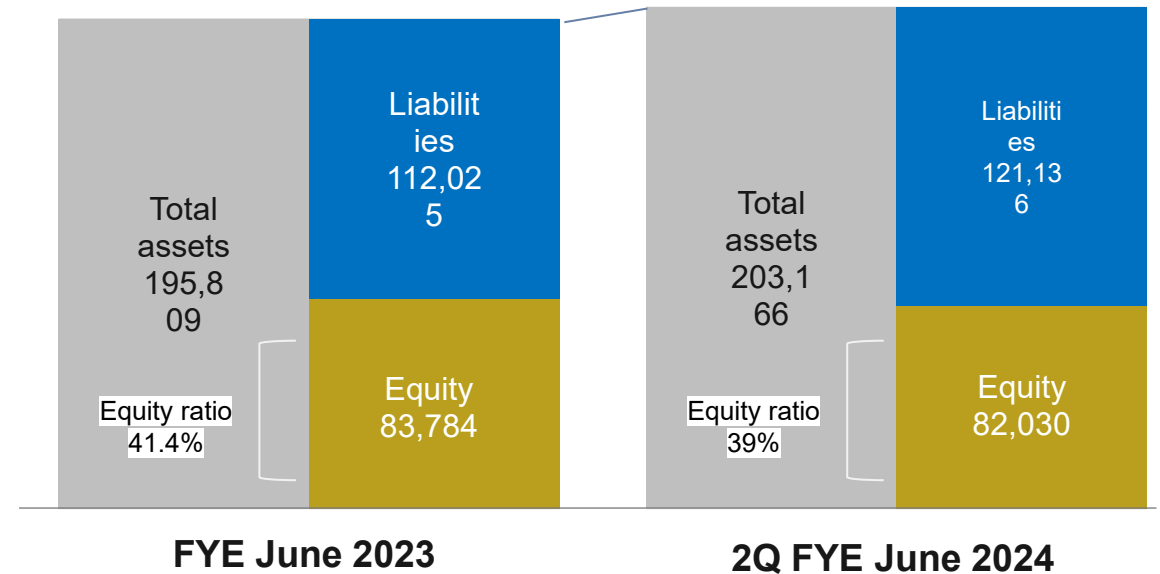


2Q FYE June
2023

2Q FYE June
2024

Balance Sheet (Million yen)

- The increase in assets was due to the rise in trade receivables.
- The increase in liabilities was due to an increase in borrowings, and the decrease in equity was due to a reduction in retained earnings.



Equity capital: Equity attributable to owners of parent

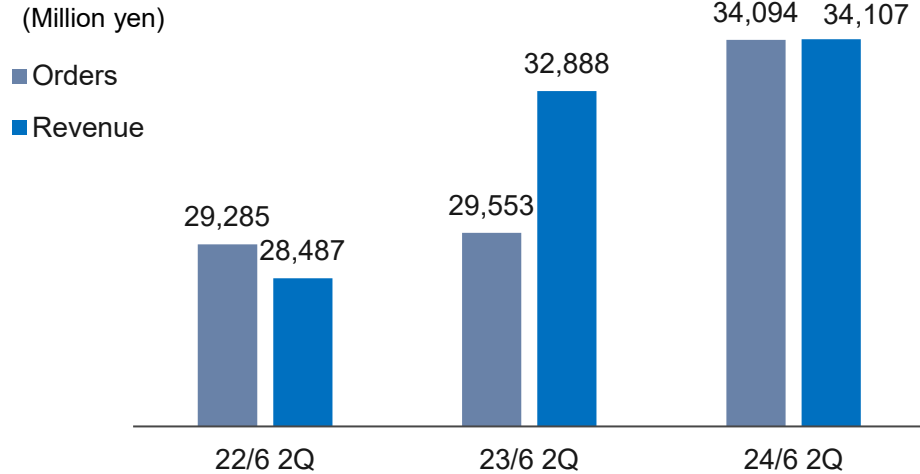
Results by Business Segment (2Q FYE June 2024)



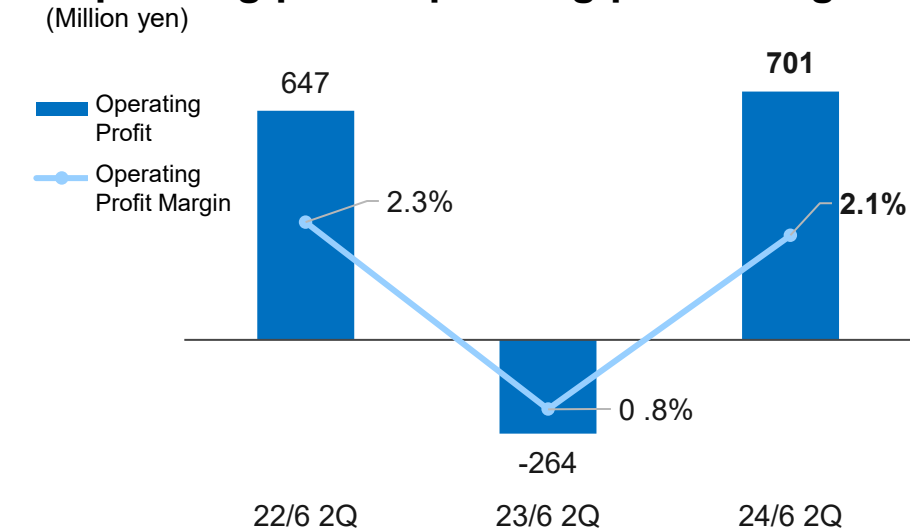
(Million yen)		2Q FYE June 2023 Results		2Q FYE June 2024 Results		YoY	
						Amount	%
Consulting Business	Orders	29,553	(Sales ratio)	34,094	(Sales ratio)	4,540	115.4%
	Revenue	32,888	100.0%	34,107	100.0%	1,218	103.7%
	Cost of expenses	25,104	76.3%	26,068	76.4%	963	103.8%
	Gross profit	7,784	23.7%	8,039	23.6%	254	103.3%
	SG&A, etc.	8,048	24.5%	7,337	21.5%	-710	91.2%
	Operating profit	-264	-	701	2.1%	965	-
Urban & Spatial Development Business	Orders	19,770	(Sales ratio)	22,858	(Sales ratio)	3,087	115.6%
	Revenue	16,399	100.0%	19,143	100.0%	2,743	116.7%
	Cost of expenses	10,534	64.2%	11,952	62.4%	1,418	113.5%
	Gross profit	5,865	35.8%	7,190	37.6%	1,325	122.6%
	SG&A, etc.	5,666	34.6%	7,056	36.9%	1,389	124.5%
	Operating profit	198	1.2%	134	0.7%	-64	67.5%
Energy Business	Orders	9,418	(Sales ratio)	8,720	(Sales ratio)	-697	92.6%
	Revenue	8,577	100.0%	14,019	100.0%	5,442	163.4%
	Cost of expenses	6,363	74.2%	10,243	73.1%	3,879	161.0%
	Gross profit	2,213	25.8%	3,776	26.9%	1,562	170.6%
	SG&A, etc.	165	1.9%	2,487	17.7%	2,321	1499.4%
	Operating profit	2,047	23.9%	1,289	9.2%	-758	63.0%

Results by Business Segment: Consulting Business

Orders/Revenue



Operating profit/Operating profit margin



Performance

Orders

- Orders increased year-on-year and remained at a record high level because of the contribution of orders for defense-related work in Japan.

Revenue

- Revenue progress in Japan slowed due to a decreased balance of orders carried forward.
- Overseas sales increased due to steady sales of large-scale projects such as the Bangladesh MRT.

Operating profit

- In Japan, net profit increased due to an increase in valuation gains (approx. 650 million yen) associated with the listing of shares of companies the Group acquired capital in.
- Overseas sales increased, but outsourcing and general and administrative expenses increased.

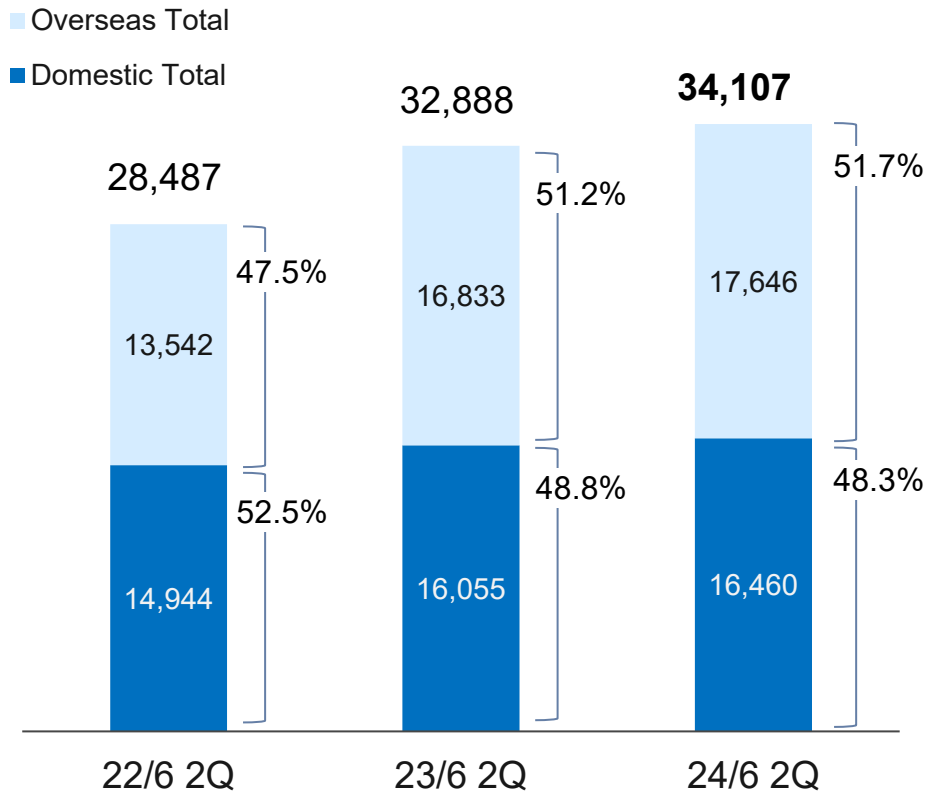
Measures for the second half

- Implement measures to ensure utilization rates and continue operations with gross profit in mind.
- To reduce foreign exchange losses, contract currencies will be set in yen, USD, and the local currency, and the contract and payment currencies will remain the same.

Results by Business Segment: Consulting Business

- The overseas sales ratio increased because of the strong performance of local subsidiaries in South Asia (India, Bangladesh) and the strong performance of projects in the transportation field.

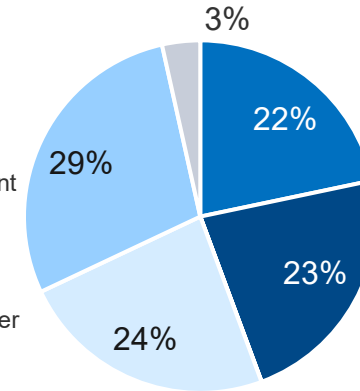
Domestic/overseas revenue (million yen) and percentage (%)



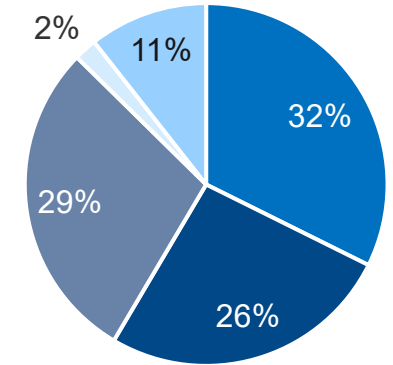
Nippon Koei: Sales by non-consolidated operations (%)

- Watershed & Water Management Operations
- Transportation Operations
- Railway Operations
- Land Infrastructure Development Operations
- Infrastructure Engineering Operations
- Research & Development Center

Japan 24/6 2Q



Overseas 24/6 2Q



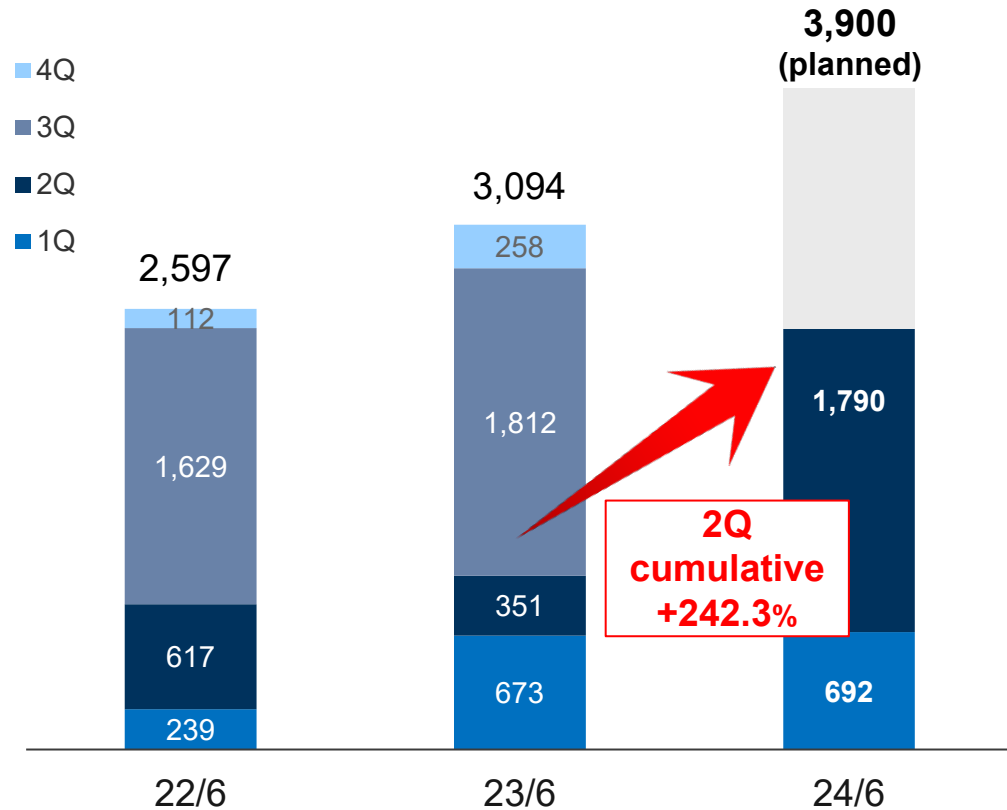
Operations	Main Areas
Watershed & Water Management	Development of dams (existing and new), rural agriculture, and water and sewage facilities
Transportation	Roads, airports, ports, regional development research, transportation policy planning
Railway	Development around railways and stations
Land Infrastructure Development	Disaster emergency measures, permanent measures, development of defense infrastructure
Infrastructure Engineering	Environment, information technology, disaster management, ground countermeasures, satellite services

Responding to demand for large-scale projects such as defense, disaster prevention, and national resilience in multiple fields

Highlights (Consulting Business/Projects for Ministry of Defense)

- Orders for Ministry of Defense projects **grew 242.3%**. Bidding for profitability is continuing.
- Received orders to prepare master plans to strengthen JSDF facilities. **Acquired orders by leveraging cooperation among the three major operating companies and our comprehensive capabilities** in multiple fields.

Consulting Business: Ministry of Defense project orders received (million yen)



Master plan preparation work* Areas of responsibility for the three operating companies

Master plan

Formulation of a plan to relocate and consolidate the buildings and facilities of Ministry of Defense bases and military posts nationwide

NIPPON KOEI Overall summary, facility layout plan (zoning and facility placement studies)

Demonstration of comprehensive capabilities

NIPPON KOEI URBAN SPACE

Construction and reconstruction plans for buildings and facilities

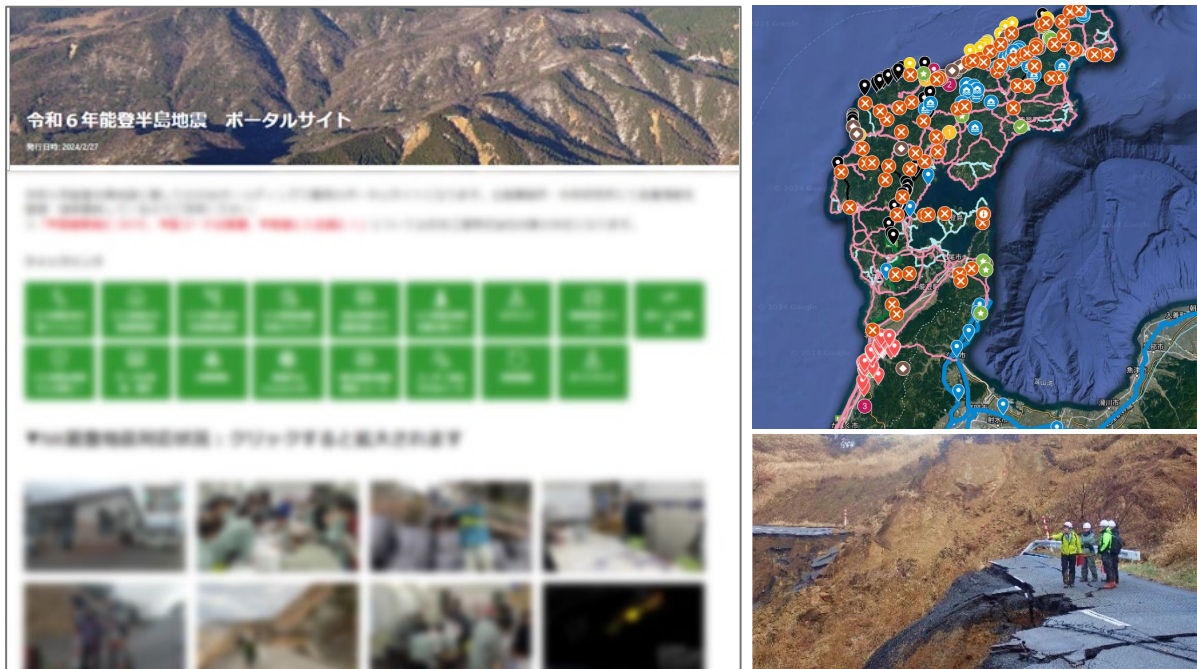
NIPPON KOEI ENERGY SOLUTIONS

Studies regarding energy efficiency

*Eight JVs, including Nippon Koei and Nippon Koei Urban Space

- Four of Nippon Koei's business fields (land infrastructure development, watershed and water management, transportation, and infrastructure engineering) are responding to requests for assistance.
- A **portal site was launched to unify internal and external information sharing** on the Noto Peninsula earthquake and to share real-time information on national and local government trends, response status for multiple projects, etc. This will lead to quick and efficient responses.
- A **landslide analysis using satellite data** was conducted in response to a request for assistance in restoring extensive damage to National Route 249.

Establishment of an internal portal site

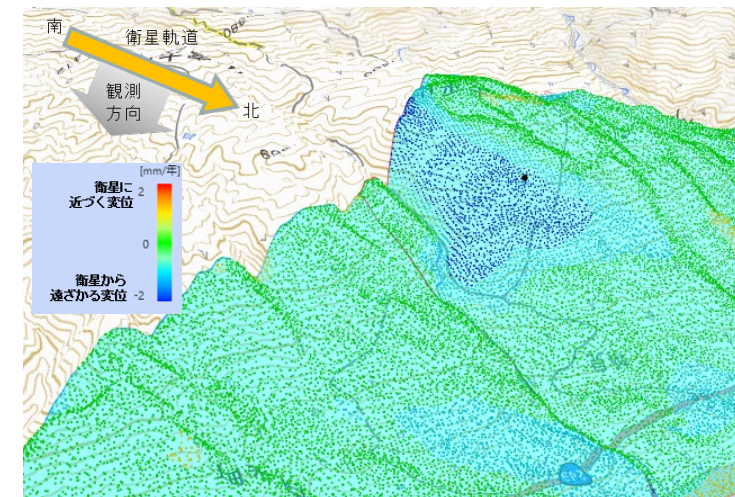


Centralized organization of internal and external information, map information, and on-site response on portal site

Use of LIANA (understanding deformation based on satellite data)



One of the products provided by “Satellite Disaster Prevention Information Service,” which is released by Nippon Koei, Sky Perfect JSAT, and Zenrin. Displays ground fluctuation of an area over time and evaluates risk based on MLIT’s ground extensometer standards and the knowledge of Nippon Koei.



© LIANA © Geospatial Information Authority of Japan © Original ALOS-2 data provided by JAXA Tellus Satellite Data Master is used.

Highlights (Consulting Business/Ukraine recovery projects)

- **Established the Ukraine Recovery Office, Warsaw Office, and Kyiv Office** build customer relationships and strengthen local information gathering and sales activities.
- Since the invasion, 11 projects have been handled. We are steadily moving forward with ongoing projects and will carry out activities to **develop projects other than Japanese aid and expand to Ukraine's neighboring countries**.

Establishment of company sites and business implementation status



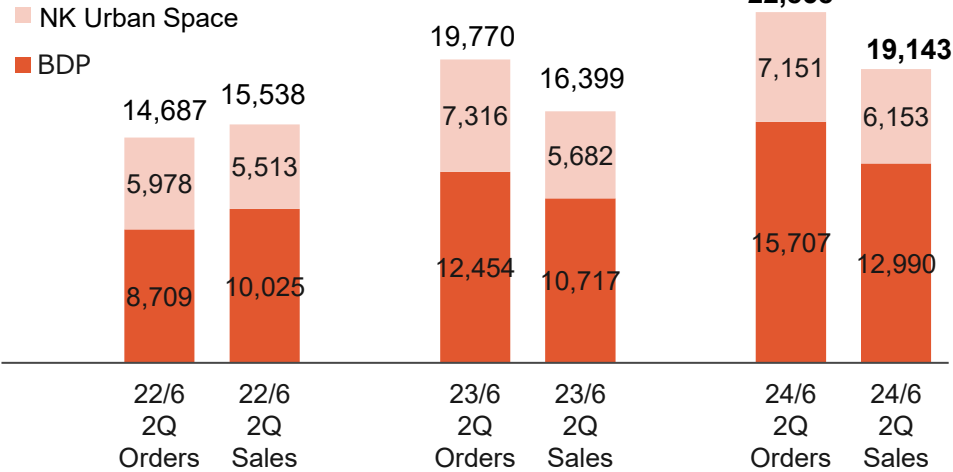
● Cities where work is being conducted.
(there are also whole-country projects beyond just these cities)

Ongoing projects (As of March 2024)

Customer	Project	Period
JICA	Emergency Restoration and Recovery Project	2023.3-2025.2
JICA	Agriculture Sector Study for Reconstruction and Recovery	2023.1-2024.5
JICA	Technical support for promoting implementation of the Bortnychi Sewage Treatment Plant Modernization Project	2023.10-2024.4
JICA	Survey on promoting private sector cooperation in recovery and reconstruction process	2024.2-2026.1
JICA	The Project for Strengthening Capacity on Humanitarian Mine Action and UXO Clearance	2024.3-2027.7
MLIT	Study on the applicability of Japanese technology toward the reconstruction of Ukraine	2023.12-2024.3
MIC	Study on the feasibility of implementing projects for the development of communication networks in Ukraine	2023.12-2024.3

Orders/Revenue

(Million yen)



Performance

Orders

- Orders increased year-on-year, orders attributed to MLIT and Ministry of Defense-related work from NKUrban, as well as large-scale additional orders from BDP Group.

Revenue

- Revenue increased in Japan and overseas because of the steady progress of orders received in the previous fiscal year.

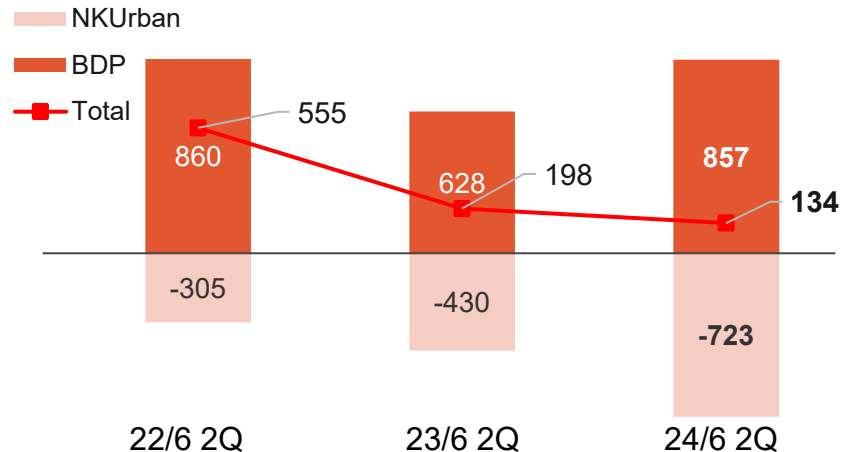
Operating profit

- Operating profit decreased due to method changes of administrative expenses accounting for spin-off in Japan, inflation in the United Kingdom, staff increase at BDP, and increase in operating expenses.

*The actual exchange rate on 2Q of FYE June 2024: 1 £ = 183.25 yen (the actual exchange rate on 2Q FYE June: 1 £ = 163.91 yen; the assumed exchange rate for FYE June 2024: 1 £ = 163.69 yen)

Operating profit

(Million yen)



Measures for the second half

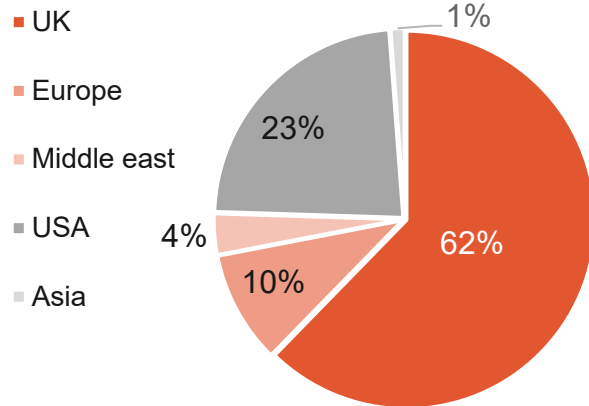
- Strengthen the rezoning system, which is the main business of Nippon Koei Urban Space.
- Hire a new regional director for BDP's Southeast Asia business to help develop BDP's Asian market.

Results by Business Segment: Urban & Spatial Development Business

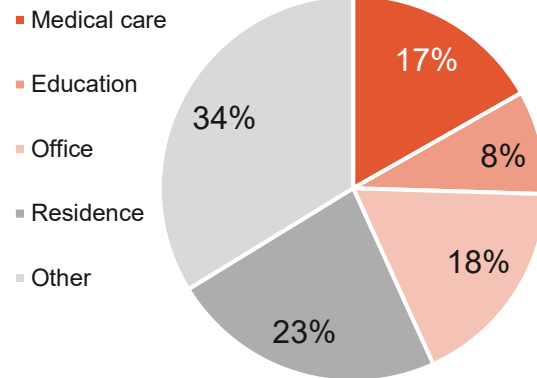
- The BDP Group's **UK share is 50% to 60%**. The current term's year-on-year increase is due to the impact of orders for large-scale projects.
- Although **the ratio of local government work** is high for Nippon Koei Urban Space, this term saw an increase in the ratio of national government-related organizations due to the **acquisition of national land resilience and Ministry of Defense projects**.

Breakdown of BDP Group orders

Share by region



Share by field



▼ BDP orders for this term



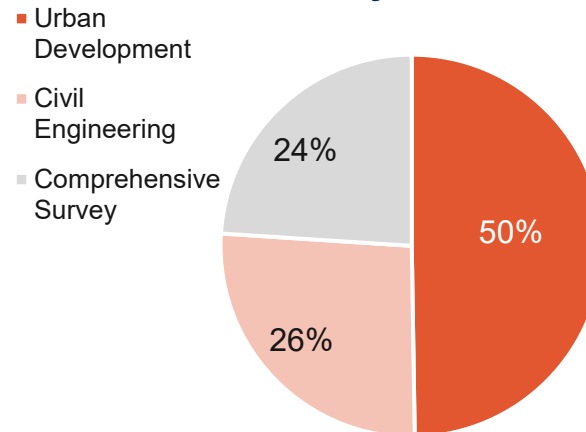
University of Warwick



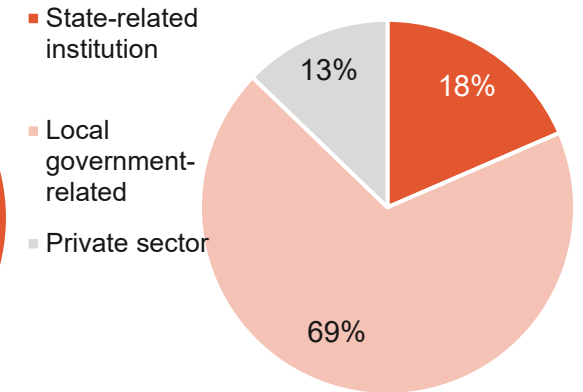
John Innes Centre

Breakdown of Nippon Koei Urban Space orders

Share by field



Share by ordering party



▼ Nippon Koei Urban Space business fields

Operations	Main Areas
Urban Development	Urban renovation, urban development, spatial design, architecture, etc.
Civil Engineering	Highways and bridges, watershed management, water supply and sewerage, environment, etc.
Comprehensive Survey	Geospatial, infrastructure information, land compensation, etc.

- At a summit meeting in January 2019, Japan and the United Kingdom agreed to strengthen cooperation in the field of infrastructure in the Indo-Pacific region.
- The U.K.'s Department for Business and Trade (DBT) announced it would promote TOD projects along the North–South line of the Jakarta Mass Rapid Transit, constructed with the Japanese government's support. This would be an opportunity for third-party cooperation between Japan and the U.K.
- **BDP, Nippon Koei, Nippon Koei Urban Space, and PT. Indokoei International**, together with the U.K.'s DBT and PT. MRT Jakarta (Perseroda), have selected Kota Station as a priority station, which is under station-front development along with the underground station construction, and a preparatory study to promote investment began in November 2023.
- BDP's **Asian expansion** stalled due to the COVID-19 pandemic, but full-scale expansion has begun.

Jakarta Kota Station



Project roles

BDP.

Commissioned by DBT in the UK and led the preparatory survey.

**NIPPON KOEI
URBAN SPACE**

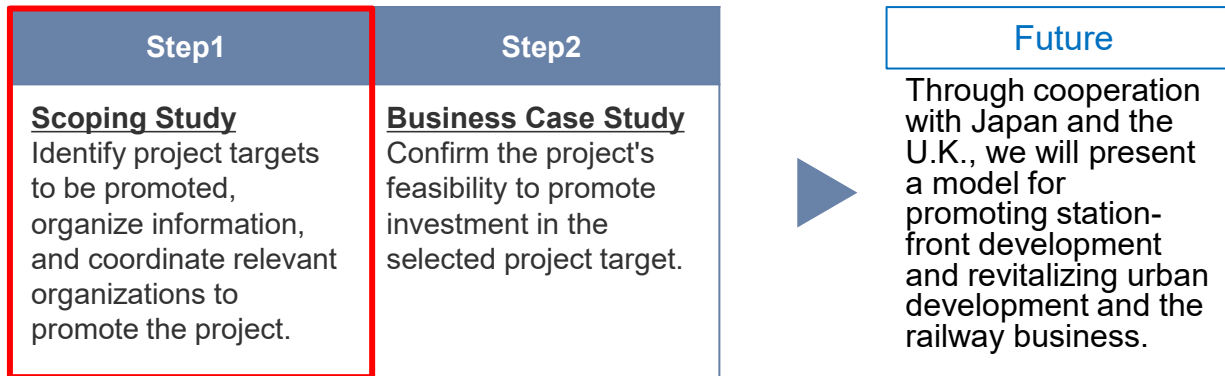
Supporting BDP based on knowledge promoting urban development and TOD in Asia.

NIPPON KOEI

Engaged in the Jakarta MRT construction project, promoting cooperation with the railway business.

**INDOKOEI
INTERNATIONAL**

Assisting BDP with local information and coordination with relevant organizations.



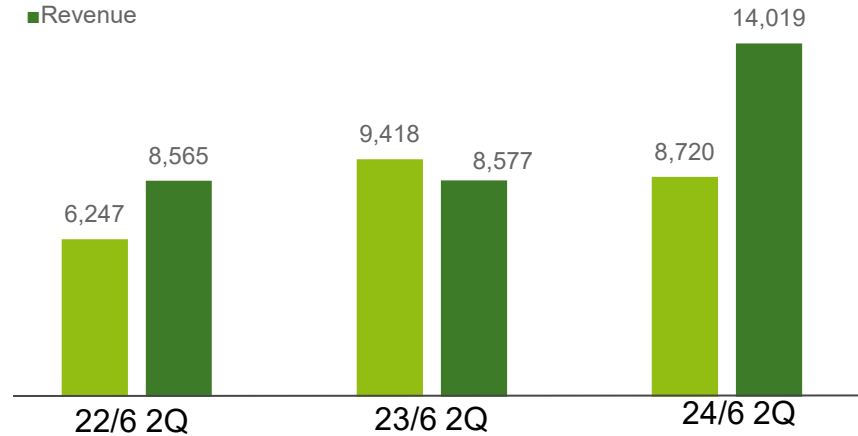
Results by Business Segment: Energy business

Orders/Revenue

(Million yen)

Orders

Revenue

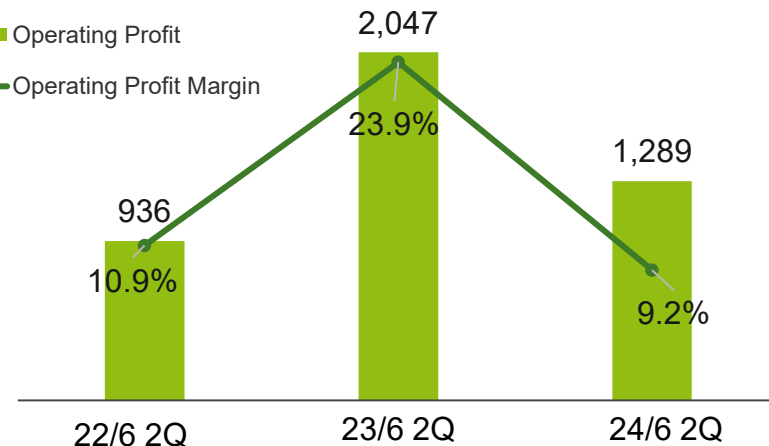


Operating profit/Operating profit margin

(Million yen)

Operating Profit

Operating Profit Margin



Performance

Orders

- Although the electric power facility and the mechanical/electrical consulting business are developing steadily, orders are decreasing year-on-year due to delays in orders for renewable energy EPC projects.

Revenue

- Revenue increased because of strong performance in on-hand projects in the electric power facility business, energy management business handling renewable energy EPC in Japan, and the manufacturing business.

Operating profit

- Although operating profit decreased due to a rebound from the gains in the sale of PT ARKORA HYDRO (a former affiliate) shares and investment gained in securities (approximately 2 billion yen) in the same period of the previous year. System improvements have been progressing smoothly toward profit generation.

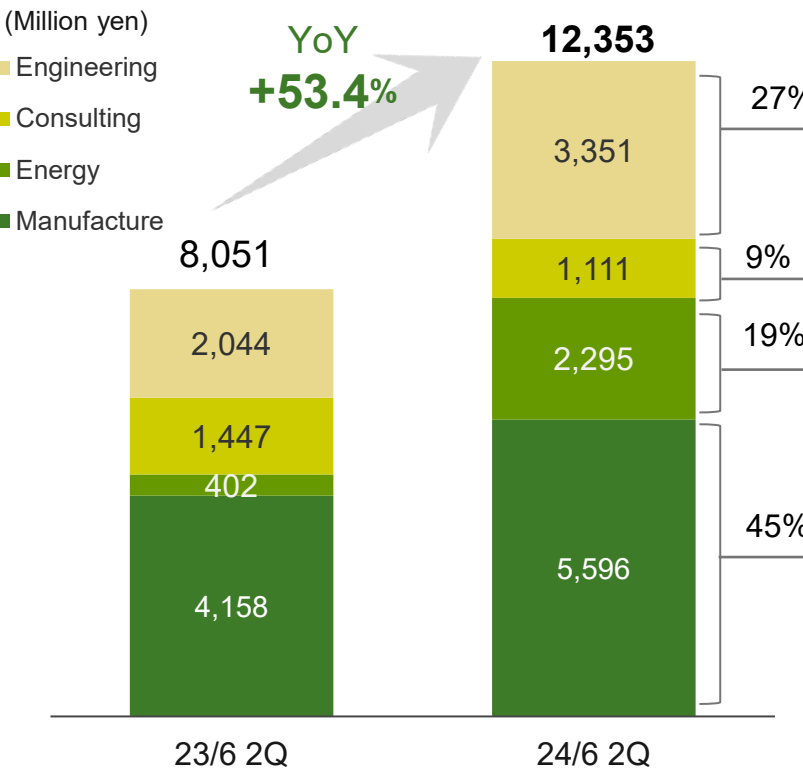
Measures for the second half

- Continue aggressive sales activities for large-scale EPC projects related to grid storage batteries, which will be the key to achieving the order plan.
- Continue to reduce variable costs, improve operational efficiency, and focus on securing profits.

Revenue by Business Segment: Nippon Koei Energy Solutions

- Construction-led sales due to strong demand for renewal under the **revenue cap system***.
- In the energy sector, the **Japanese private sector's renewable energy EPC project and the grid storage battery project** made steady progress, and sales steadily increased.

Nippon Koei Energy Solutions - Revenue



Nippon Koei Energy Solutions - Business

Field	Division	Business
Engineering	Power infrastructure	<ul style="list-style-type: none"> Enhancement and renovation of substations, switchyards, and power plant facilities for electric power companies
Consulting	Machine/electricity and information infrastructure	<ul style="list-style-type: none"> Consulting on power and electrical equipment
Energy	Energy management	<ul style="list-style-type: none"> Development and operation of energy resources
	Energy operations	<ul style="list-style-type: none"> Operation of hydroelectric power plants, new planning and development, energy saving support
Manufacture	Systems	<ul style="list-style-type: none"> Construction of substation centralized monitoring systems and dam management systems
	Machine/electricity	<ul style="list-style-type: none"> Manufacture of hydroelectric turbines and generators Manufacture of various substation equipment such as transformers and cooling towers

The large-scale grid storage battery business requires complex technology. Leveraging the strengths of combined technologies, respond to planning and operational needs.

*A general electricity transmission and distribution business operator formulates a business plan and investment and cost projections, then sets a consignment fee after receiving approval from the national government.

Highlights (Energy business/Ruien Battery Storage Project in Belgium)



- Among the power storage plants in operation in Europe, **Ruien Battery Storage Project in Belgium (25 MW/100 MWh) is performing well.**



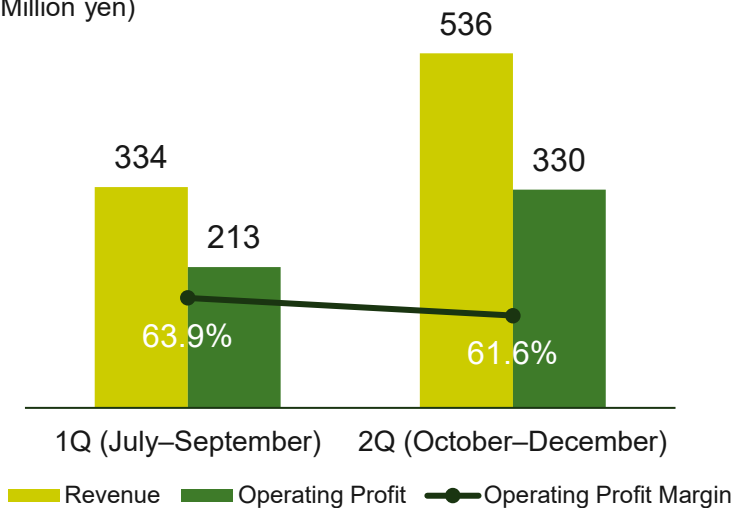
Battery storage station in Ruien, Belgium

■ Outline of Battery Storage Stations in Europe

	UK	Belgium
Market trend	<ul style="list-style-type: none"> ■ Domestically installed batteries total 3 GW, maturing market 	<ul style="list-style-type: none"> ■ Domestically installed batteries total less than 200 MW, early stage of market
Driving situation	<ul style="list-style-type: none"> ■ One location in operation (Tollgate: 49.5 MW/49.5 MWh) *One other site under construction 	<ul style="list-style-type: none"> ■ One location in operation (Ruien: 25 MW/100 MWh)
Position	<ul style="list-style-type: none"> ■ Ranked 18th domestically based on output 	<ul style="list-style-type: none"> ■ Largest in Belgium (only three large-scale batteries of 25 MW or more domestically)
Main source of revenue	<ul style="list-style-type: none"> ■ Frequency adjustment service, DC, wholesale market (arbitrage) 	<ul style="list-style-type: none"> ■ aFRR (secondary adjustment force), imbalance market

■ FY24 Ruien (SPV) performance

(Million yen)



Plans to expand business in Japan due to upfront investment and expand business overseas in Asia in the medium term.
Energy technology is indispensable for smart urban development and will strengthen segment cooperation projects.

2. FYE June 2024 Forecast

(July 1, 2023–June 30, 2024)

FYE June 2024 Forecast

We aim to set new record highs for orders, revenue, and profits.

(Million yen)	FYE June 2023 Results	FYE June 2023 Plan	YoY Comparison	
			Amount	%
Orders	139,265	155,000	15,734	111.3%
Consulting Business	77,712	86,000	8,287	110.7%
Urban & Spatial Development Business	42,566	43,000	433	101.0%
Energy Business	18,827	26,000	7,172	138.1%
Revenue	141,527	156,000	14,472	110.2%
Consulting Business	81,818	88,000	6,181	107.6%
Urban & Spatial Development Business	38,071	42,000	3,928	110.3%
Energy Business	20,855	25,000	4,144	119.9%
Other	782	1,000	217	127.9%
Operating profit	6,080	11,100	5,019	182.5%
Consulting Business	6,599	7,400	800	112.1%
Urban & Spatial Development Business	-946	2,700	3,646	-
Energy Business	2,974	2,200	-774	74.0%
Other	-2,546	-1,200	1,346	-
Profit attributable to owners of parent	3,093	7,100	4,006	229.5%
ROE	3.9%	9.0%	5.1pt	

Review of cost burden for each segment

As a result of reorganization and spin-offs, each company's head office business management expenses, which were previously borne by "Other," will now be borne by each segment.

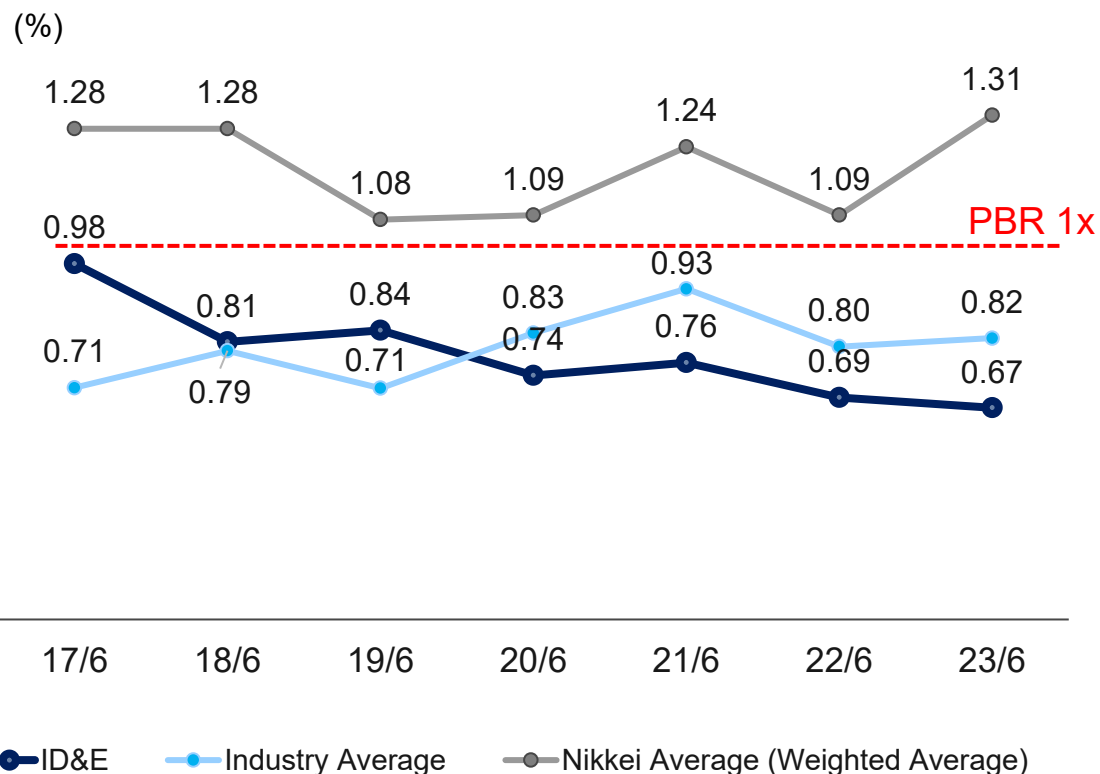
▼ FY2024 operating profit plan reference values using conventional accounting methods

(Million yen)	Reference value	YoY Comparison	
		Amount	%
Operating profit	11,100	5,019	182.5%
Consulting Business	8,068	1,469	122.3%
Urban & Spatial Development Business	3,306	4,252	-
Energy Business	2,276	-698	76.5%
Other	-2,550	-4	-

3. Working to Improve Corporate Value

PBR trends

- Our PBR was 0.67x for FYE June 2023 and continues to be below 1x, which is lower than the industry average.
- This is assumed since the current medium-term management plan does not include the business forecast.



Policies for improvement

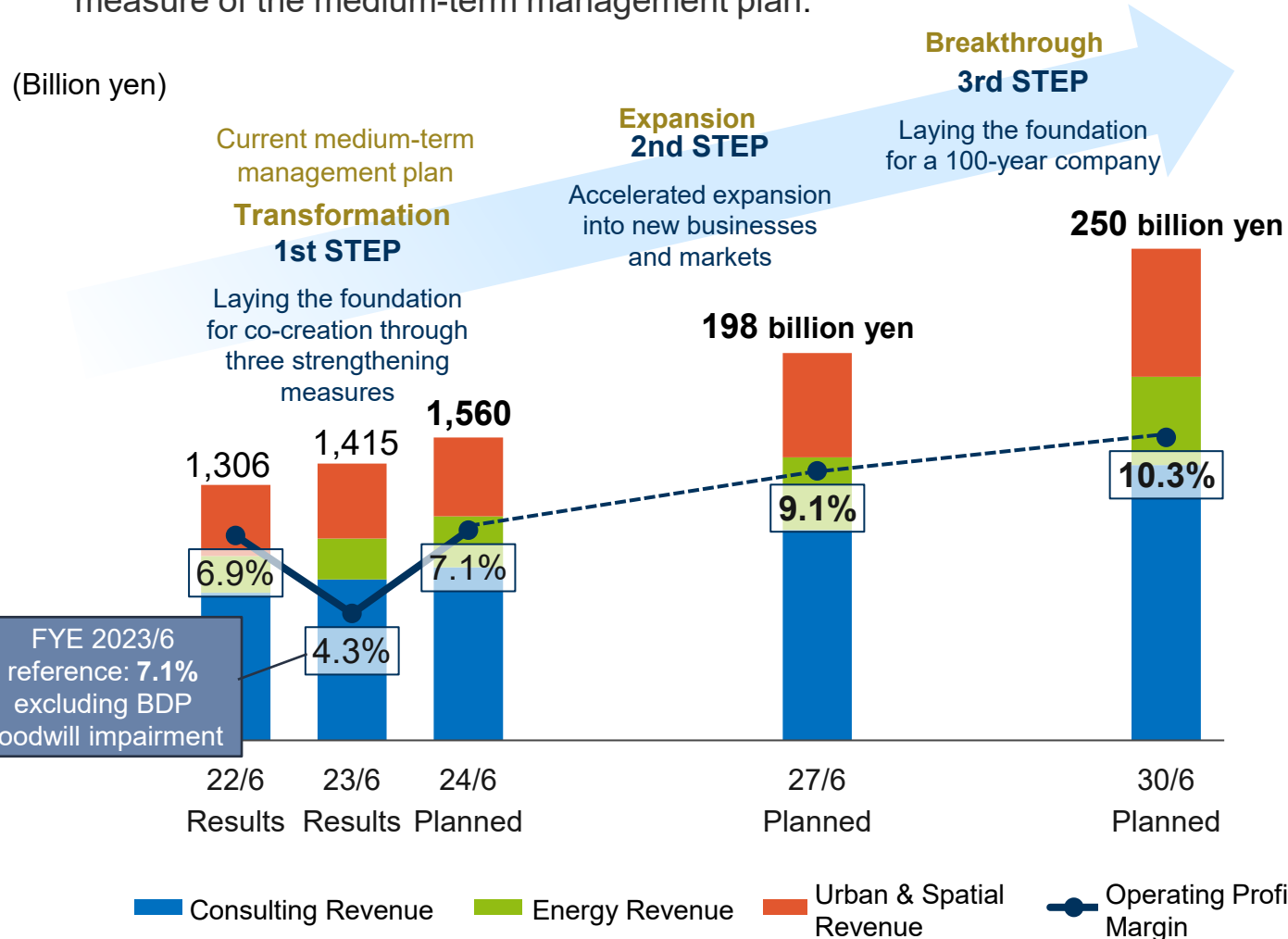
- We will promote growth strategies and financial strategies and strengthen our management base, aiming to achieve a sustainable increase in ROE and, thus, PBR.
- Specific measures will be disclosed in August 2024, together with the next medium-term management plan.

Growth strategy	<ul style="list-style-type: none"> • Generate profit through reliable implementation of medium- and long-term strategies • Business reform and drastic cost reduction through the use of digital technology 	Sustained improvement in ROE
Financial strategy	<ul style="list-style-type: none"> • Ensure financial soundness • Improve capital profitability through asset portfolio optimization • Enhance shareholder returns 	
Strengthening the management base	<ul style="list-style-type: none"> • Promote sustainability management and human capital management • Enhance information disclosure and IR activities • Control profit volatility 	Controlling shareholders' equity costs

Future Initiatives to Improve Corporate Value

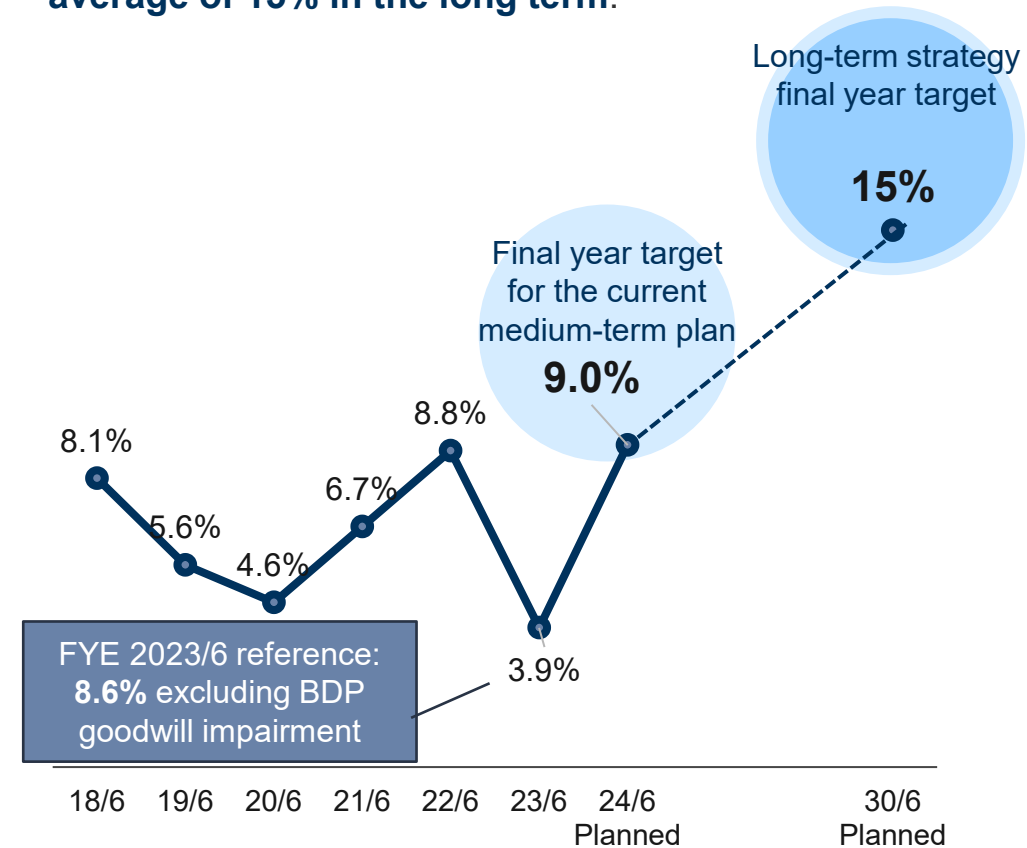
Long-Term Management Strategy (ID&E Global Strategy 2030)

- Aim to **achieve the plan by steadily implementing** the three steps and each measure of the medium-term management plan.



ROE target

- We will further increase asset efficiency and implement our growth strategy to reach 9% in this term and **an average of 15% in the long term.**



*Japan Standards up to June 2020

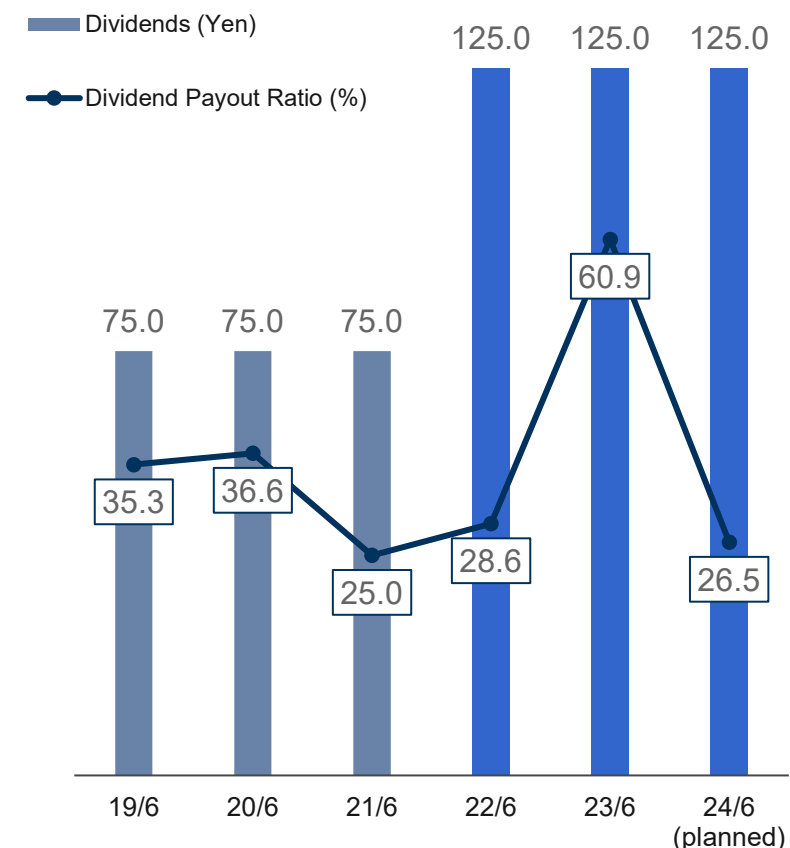
Cash allocation policy

- Divest assets and **allocate investments to new growth fields and areas**. Aim to improve business growth and capital profitability.

Asset sales and financing	Dissolution of mutually held shares	<ul style="list-style-type: none"> ● Gradual reduction of cross-shareholdings <ul style="list-style-type: none"> • Estimated income equivalent to 2 billion yen
	Dissolution of delinquent receivables	<ul style="list-style-type: none"> ● Ensure working capital on hand through efforts to eliminate delinquent receivables <ul style="list-style-type: none"> • Improve operating cash flow by implementing CCC management and reduction measures • Approximately 400 million yen in accounts receivable, which has been delayed for many years, is scheduled to be deposited by March 2024
	Improving asset efficiency through real estate sales, etc.	<ul style="list-style-type: none"> ● Review utilization of the Group's assets and consider replacing them with assets directly linked to business
Investment	<ul style="list-style-type: none"> ● Implement investment plans with capital costs in mind <ul style="list-style-type: none"> • Growth investment (including M&A) is expected to be approximately 32 billion yen in the first three years. But the actual amount is 9.5 billion yen as of 2Q of this period due to carefully selected investment projects 	
Shareholder returns	<ul style="list-style-type: none"> ● Continue stable dividends and enhance shareholder returns based on profit levels ● Carry out share buybacks/cancellations based on the situation 	

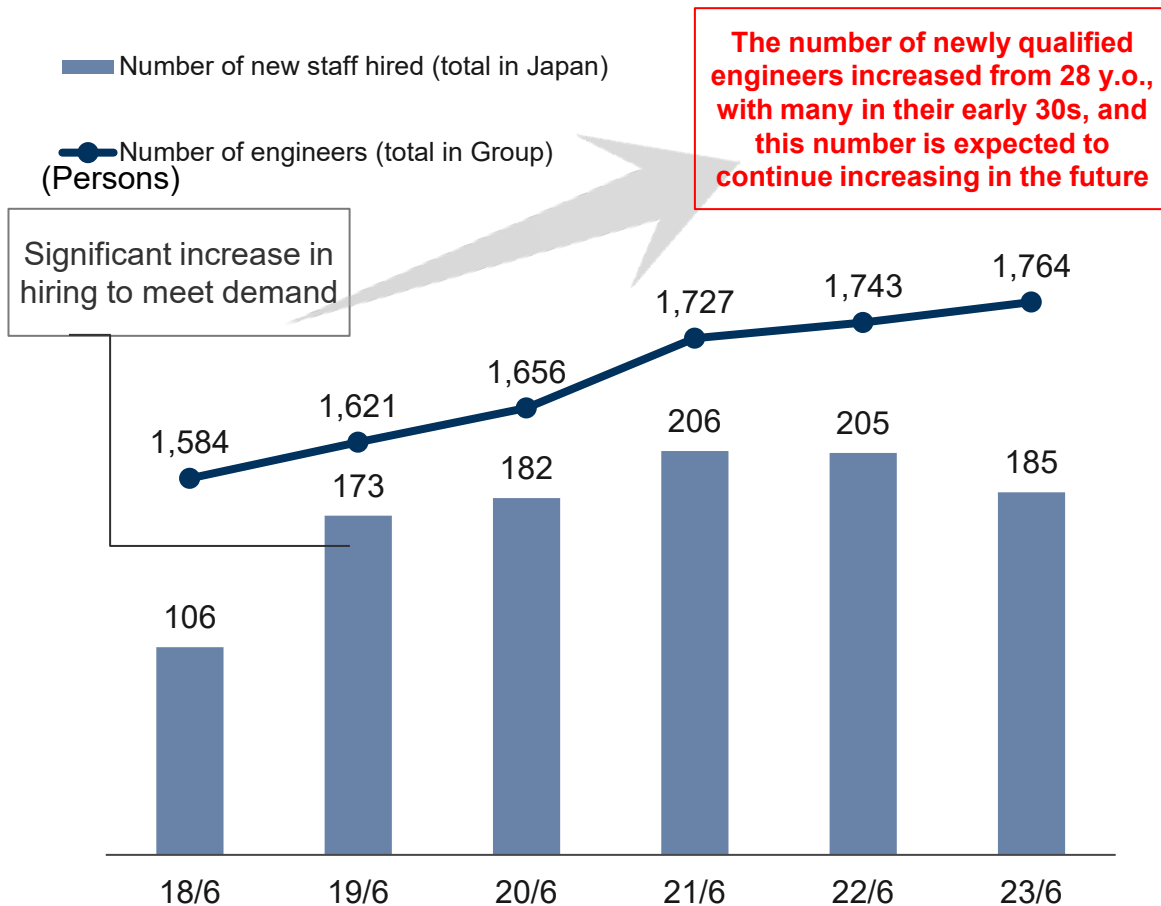
Dividends and dividend payout ratio

- Dividend payout ratio is expected to be 30%, and the dividend for FYE June 2024 will continue at 125 yen per share.



Trends in the number of new staff and engineers

- The ID&E Group had 48 successful applicants in FY2023. Of those, **84% are under 35 years old (national average 42.8 years old)**, and the number of young engineers is steadily increasing.



Development and utilization of various human resources

Ratio of female managers

2023 results **4.9%** ▶ 2030 target **15% or more**

Ratio of non-Japanese managers

2023 results **0.8%** ▶ 2030 target **1% or more**

Evaluation from external organizations

Work style reform

- Certified as a White 500 company under the Excellent Health Management Corporation Recognition System for five consecutive years
- ID&E is the only company** in the construction consultant industry to receive this



2023
健康経営優良法人
Health and productivity
ホワイト500

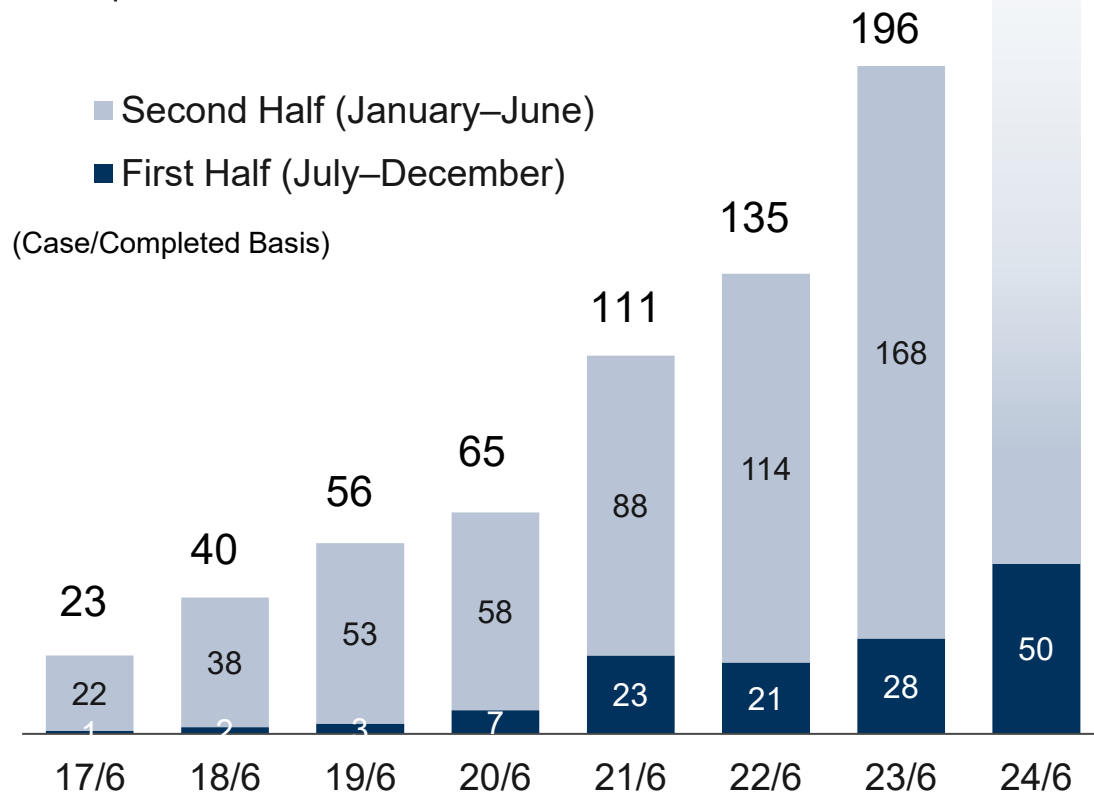
Productivity improvement

- Four-star certification in the 7th Nikkei Smart Work Management Survey, which selects advanced companies that are taking on the productivity revolution through work style reforms
- Highest in the industry**



Number of BIM/CIM related operations

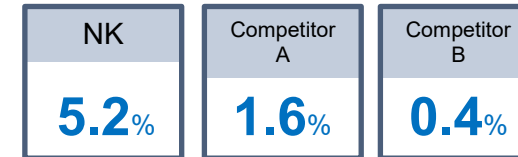
- The number of related operations is steadily increasing with the successful development of **promotion plans, monitoring, in-house qualification systems, etc.**
- Corresponds to the application of BIM/CIM principles in operations and construction under the direct control of the Ministry of Land, Infrastructure, Transport and Tourism.



Strengthening DX efforts

Improving DX orders

- Analyze NJSS (data bidding information bulletin service for the government, local governments, public institutions, organizations, and universities)
- Our DX order size share is No. 1 in the industry



As of April 2023

Building a global production system

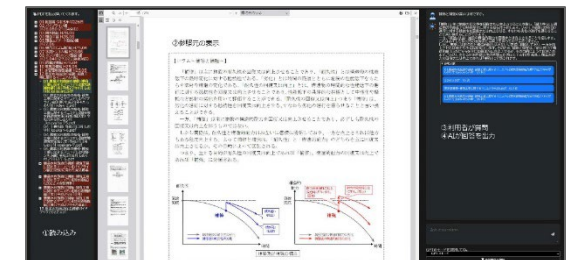
- Share BIM-related technologies with MKI (local subsidiary in Myanmar) and form MKI model building team
- MKI takes charge of Nippon Koei's design work to reduce costs



Seminar in Myanmar

Leveraging generative AI

- Increase productivity and accuracy by incorporating AI in the value chain from order to production



Material-specific chatbots



Appendix

Corporate Profile (As of June 30, 2023)

- Corporate name Integrated Design & Engineering Holdings Co., Ltd.
- Established July 3, 2023
- Capital ¥7,522 million *As of August 2023
- Staff numbers 6,335 [consolidated]
- Subsidiaries numbers 84
- Institutional design Company with a nominating committee, etc.
- Stock market: TSE Prime Market (Sec. code: 9161)

■ Founder: Yutaka Kubota (1890–1986)

Before WWII, Yutaka Kubota was engaged in the development of hydropower resources (Sup'ung Dam 700 MW) in the Korean Peninsula, one of the largest projects at the time.

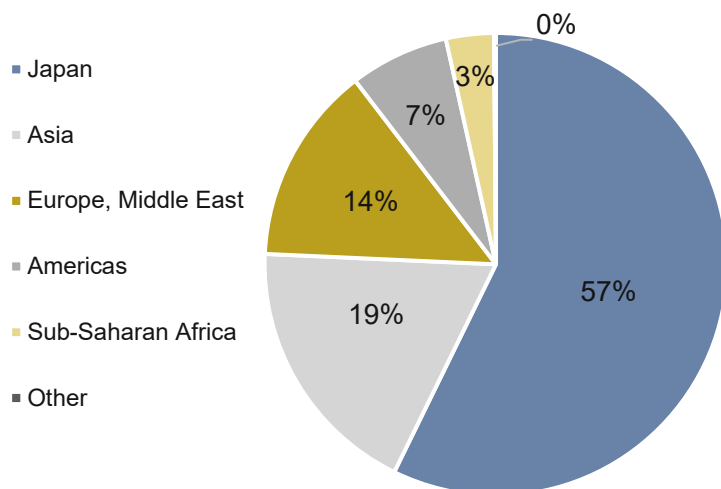
After the war, in a bid to work toward the restoration of Japan and reconstruction of countries damaged by the war, he founded the Company at the age of 56.

Known as the “Father of Overseas Engineering Cooperation,” he was awarded the Grand Cordon of the Order of the Rising Sun in 1985.

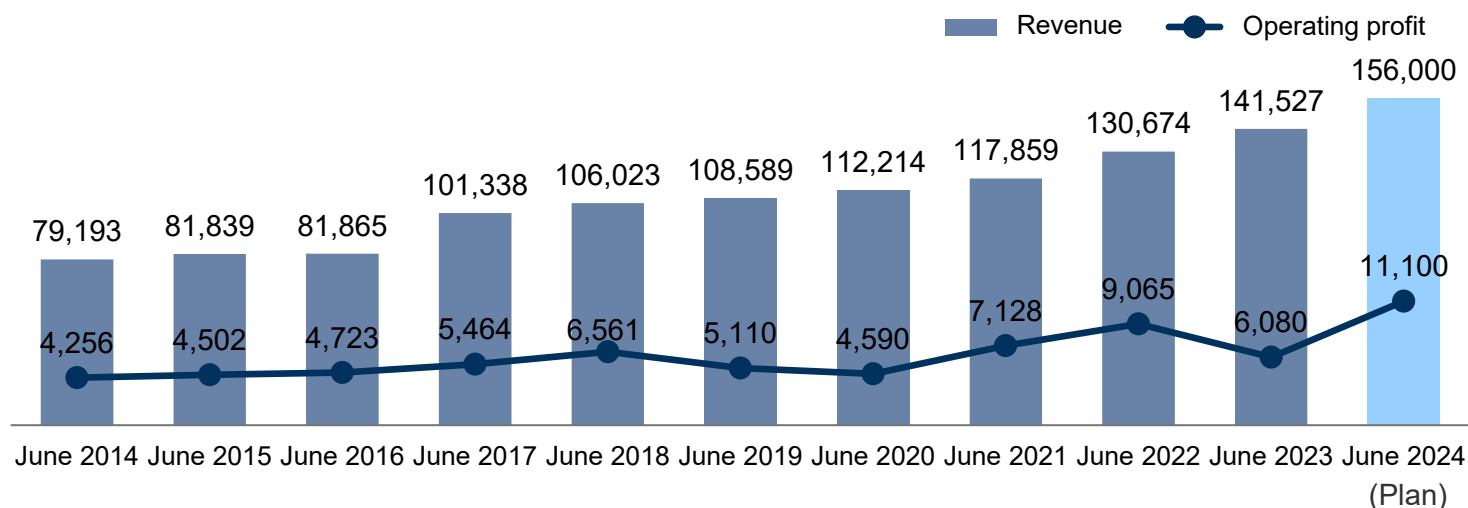
He directed projects around the world until he was 90 years old and contributed to development in developing countries.



Net sales by region (FYE June 30, 2023)



Consolidated revenue and operating profit (million yen)



Consulting Business



With expertise in civil engineering and other professional technologies, we engage in the consulting business, such as planning and design associated with the development and maintenance of infrastructure and safety measures, for the state, local governments, overseas government institutions, private firms and others. In response to increasingly complex social issues, construction consultants are required more than ever to demonstrate their high level of expertise, technical capabilities, and comprehensive abilities. Nippon Koei supports social infrastructure by undertaking various roles as a comprehensive partner to business operators.

Urban & Spatial Development Business



One of the growing areas that account for a large percentage of the sales of the world's construction companies is architecture. With a view to pursuing business development by integrating architecture and civil engineering in response to the massive demand for urban development in many locations around the world, the Company made BDP, a UK-based architectural design company, a subsidiary in March 2016 and made Quadrangle, a Canadian firm, a subsidiary in February 2019. By incorporating the architectural know-how of both firms, we are engaging to create urban & spatial development that accommodates the needs of the new era.

Energy Business



We provide services for power and electric facilities in Japan and abroad in all phases from planning and research to design, construction, manufacturing of equipment and maintenance. In addition, the world is advancing toward decarbonization, and the renewable energy-related businesses are going through major changes. Accordingly, we are focusing on services for electric power distribution networks to stably manage and control energy provided from various power sources with the use of battery storage as well as on virtual power plant (VPP)-related businesses.

*Effective FYE June 2022, we are managing our businesses under a three-segment structure consisting of the “Consulting Business” formed by integrating the conventional domestic consulting and international consulting businesses, the “Energy Business” encompassing the power engineering and energy businesses, and the “Urban & Spatial Development Business.”

(1) Sustainable business model grows with society
(Win-win relationship between society & Nippon Koei)

Transforming to meet market demands



Commercialize solutions to social problems

(2) Japan's leading engineering consulting firm
(Business domains, technologies, and human resources)

Comprehensive strength Capable of solving sophisticated & complex issues

Human Resources Largest number of professional engineers in industry

Technology In-house R&D facilities and patents

Consolidated net sales
¥141.5 billion

Business over
160 countries

Orders over
9,000 per year

85
Patents

1,764
Professional engineers

*As of June 2023

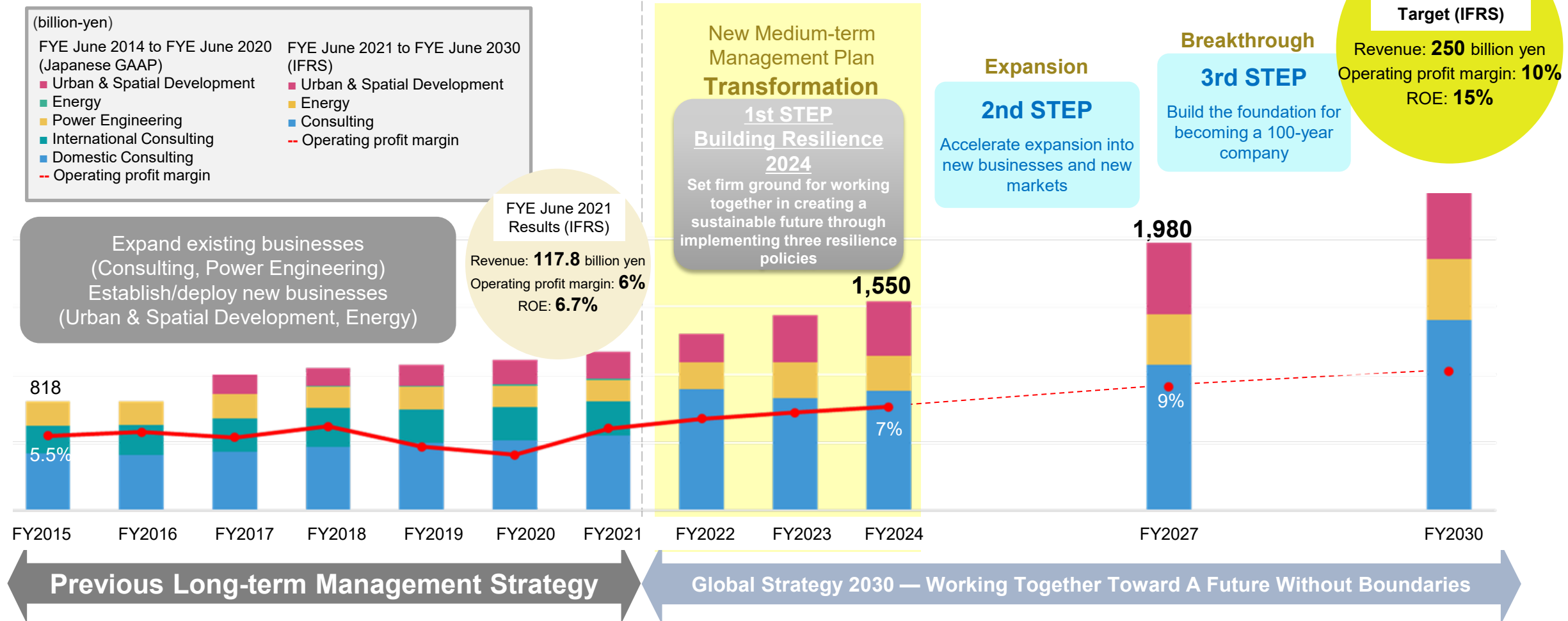
Coping with changing times, achieving sustainable business expansion and profitability growth.

Nippon Koei, which is a subsidiary of ID&E Group, is Japan's leading civil engineering consultant.

Ranking	Corporate name	Sales (Million yen/Non-consolidated)	
		Engineering consultant division	Corporate Total
1	Nippon Koei	61,058	80,796
2	Pacific Consultants Co., Ltd.	51,218	54,808
3	CTI Engineering Co., Ltd.	48,696	51,359
4	Oriental Consultants Co., Ltd.	30,438	30,525
5	Oriental Consultants Global Co., Ltd.	28,884	28,884
6	Eight-Japan Engineering Consultants Inc.	23,641	25,940
7	Yachiyo Engineering Co., Ltd.	23,329	23,975
8	Idea Consultants, Inc.	21,521	22,065
9	Nihon Suido Consultants Co., Ltd.	19,652	19,814
10	Chodai Co., Ltd.	18,836	20,527
24	Nippon Koei Urban Space Co.,Ltd. (Integrated with Tamano Consultants Co., Ltd. in July 2022)	11,801	13,588

*Source: Nikkei Construction, April 20, 2023, edition. Ranking by engineering consultant division sales (according to published financial results)

By working together with various internal and external partners, we will pursue wisdom and integrate wisdom with technological innovation to provide new values in an aim to become a corporate group that contributes to realizing a society in which people can feel enriched.



Materiality Related to Business Activities and Corresponding SDGs



Link business activities with materiality, identify what the ID&E Group can do about common issues in the world and contribute to achieving the sustainable development goals (SDGs) while driving these initiatives to also increase corporate value of the Company.

Materiality	Key relevant SDGs	Examples of initiatives for each materiality
Development of infrastructure to protect safe living		<ul style="list-style-type: none"> Develop high-quality infrastructure in a wide range of areas. Provide services for preventing/mitigating disasters in terms of both hardware and software
Development of infrastructure where all people can freely interact and play an active role		<ul style="list-style-type: none"> Realize a mobility society by putting in place transportation sites, including airports and railways, and networks. Develop electric power infrastructure in overseas regions lacking power sources.
Creation of attractive cities where a diversity of people and industries are concentrated		<ul style="list-style-type: none"> Develop a smart city by promoting working together among Consulting, Urban & Spatial Development and Energy.
Conservation of the global environment by achieving a decarbonized society		<ul style="list-style-type: none"> Provide consulting services to counter climate change. Expand the renewable energy business in Japan and abroad.

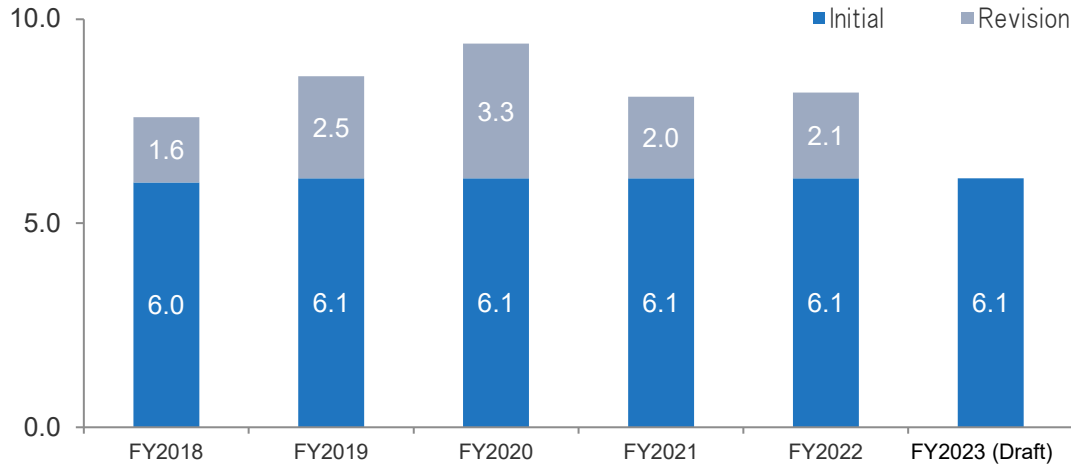


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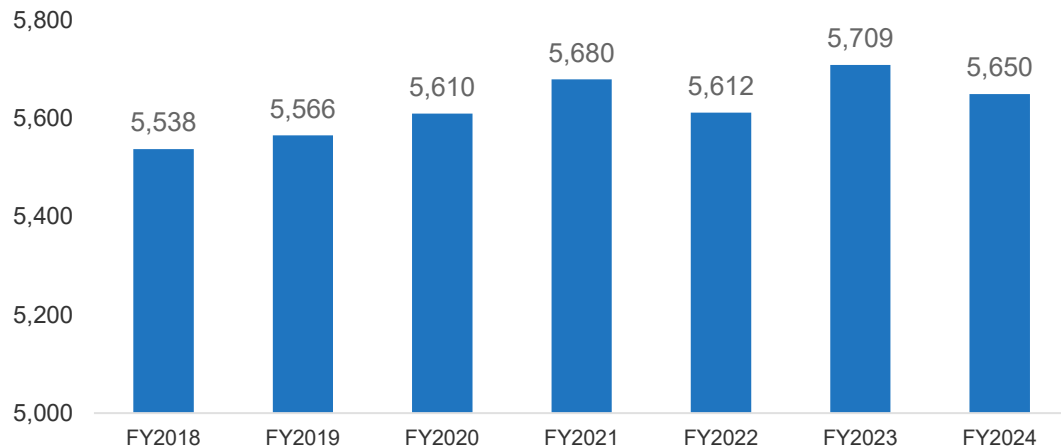
Materiality	Key relevant SDGs	Examples of initiatives for each materiality
Strengthening corporate governance		<ul style="list-style-type: none"> Review institutional design Reinforce compliance activities.
A rewarding work environment where human rights are respected		<ul style="list-style-type: none"> Further promote well-being management.
Development of human resources and technology		<ul style="list-style-type: none"> Develop human resources for manifesting the ID&EG brand through the ID&EG Global Academy. Create new added value by utilizing DX.

Consulting Business: Market Trends and Operating Results

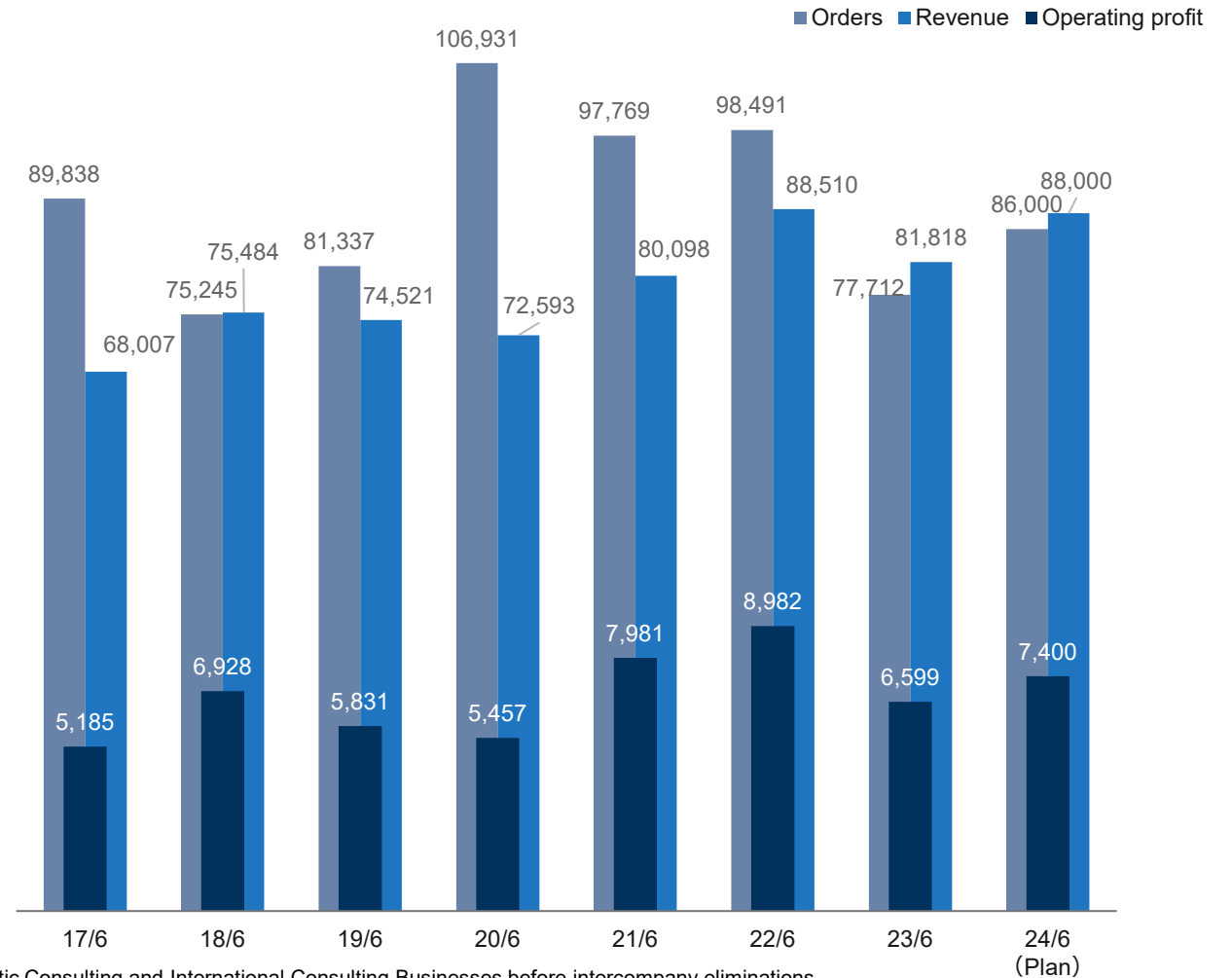
Public Works Expenditures (Trillion yen)



Initial ODA Budget in the General Account (billion yen)



ID&E(Nippon Koei) Consulting Business: Operating Results (Million yen)



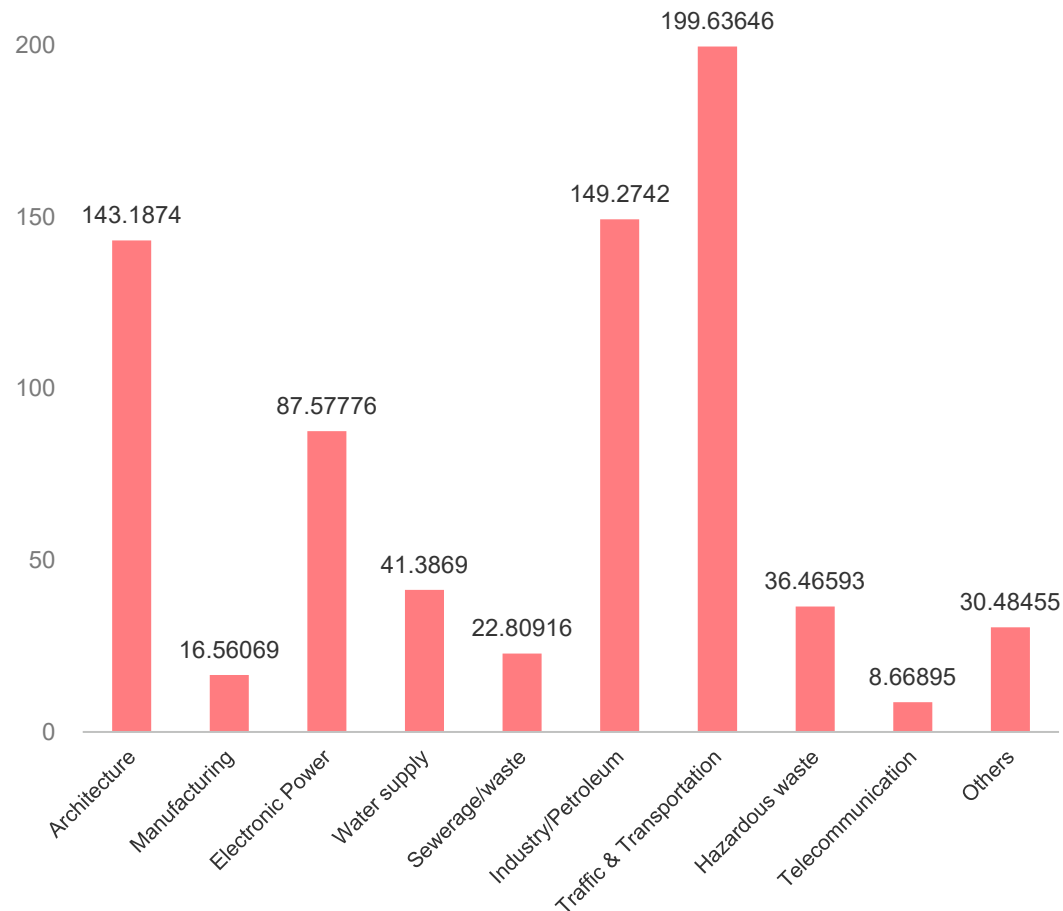
*Figures showing operating results for FYE 16/6 through FYE 20/6 are simple aggregations of the figures for Domestic Consulting and International Consulting Businesses before intercompany eliminations.

*Operating results for years up to FYE 20/6 are based on Japanese GAAP while those for FYE 21/6 and onward are based on the IFRS.

*Results for FYE 22/6 reflect the transfer of the urban space segment of the former Tamano Consultants Co., Ltd.

Urban & Spatial Development Business: Market Trends and Operating Results

Sales of Top 225 Research & Design Firms in FYE 2022 by Sector (Billion US dollars)



ID&E (Nippon Koei's) Operating Results in Urban & Spatial Development Business (Million yen)



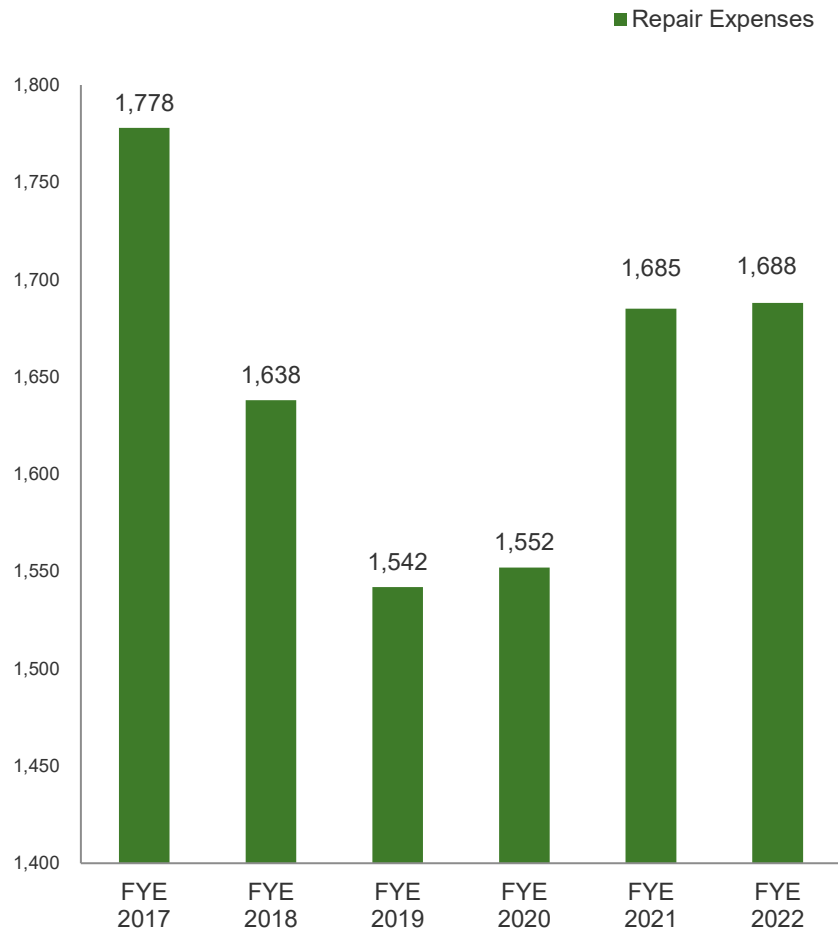
*Source: Compiled by the Company based on information available in the ENR magazine (issued in August 2022)

*Operating results for years up to FYE June 2020 are based on Japanese GAAP while those for FYE June 2021 and onward are based on the IFRS.

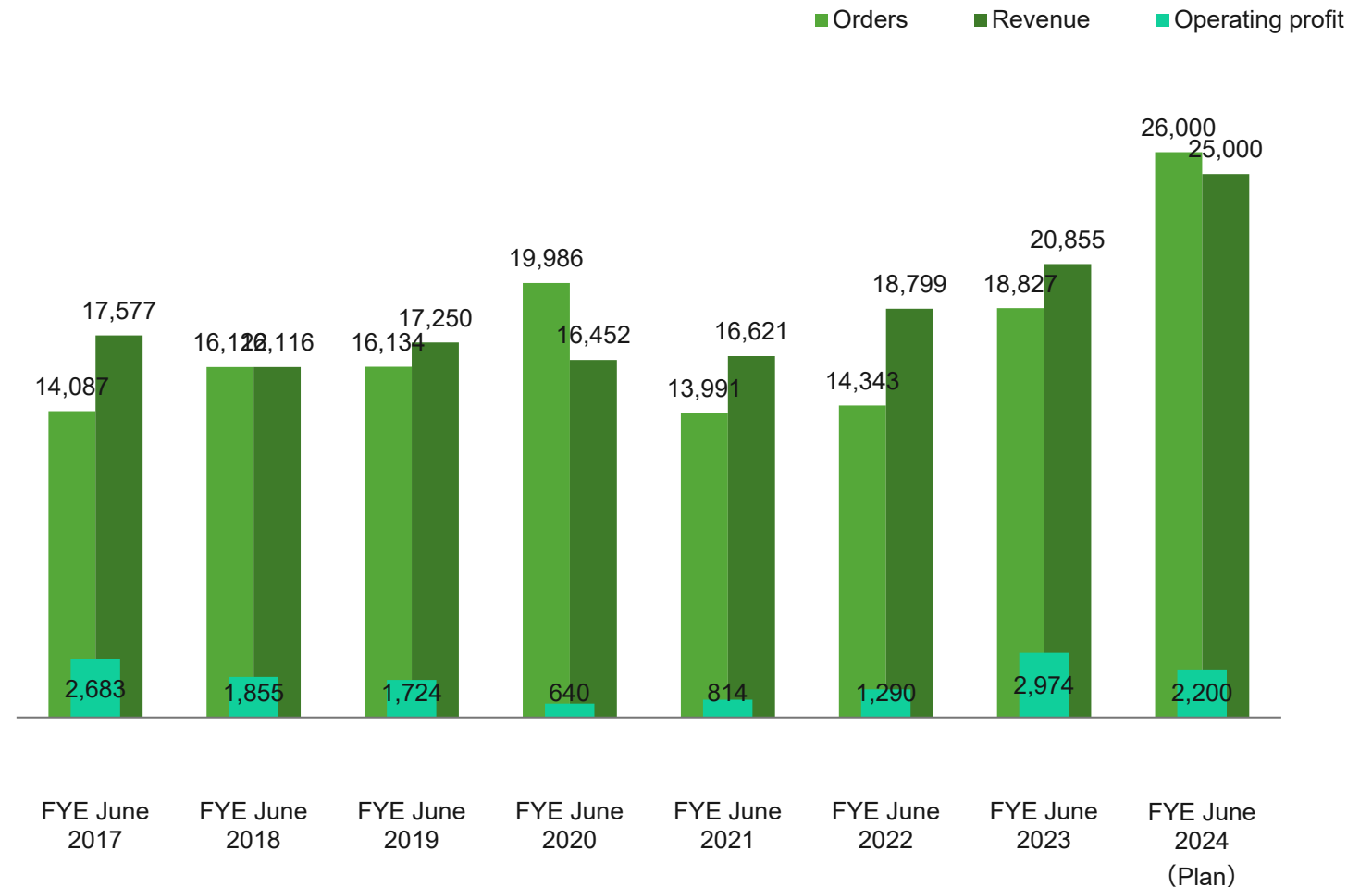
*Results for FYE 22/6 reflect the transfer from the consulting segment of the former Tamano Consultants Co., Ltd.

Energy Business: Market Trends and Operating Results

Repair Expenses for Tokyo Electric Power Company Holdings, Inc. (Billion yen)



ID&E (Nippon Koei's) Operating Results in Energy Business (Million yen)



*Figures showing operating results for FYE June 2016 through FYE June 2020 are simple aggregations of the figures for the Power Engineering and Energy Businesses before inter-company eliminations.

*Operating results for years up to FYE June 2020 are based on Japanese GAAP while those for FYE June 2021 and onward are based on the IFRS.



Inquiries on IR-related matters

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